

2598ET

CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D. C.

OFFICE OF THE DEPUTY DIRECTOR (INTELLIGENCE)

APPROVED FOR RELEASE DATE: JULY 2003

4 September 1963

EO 12958 6.2(c)

MEMORANDUM FOR:

W. Averell Harriman

Under Secretary for Political Affairs

Department of State

SUBJECT

Possibility of Soviet Ground Force

Reductions

You will want to give the attached memorandum careful scrutiny. It seems certain that the Soviets are going to take some step to check military expenditures; this paper represents our best guess as to how they will go about it.

The foreign policy implications of a Soviet troop reduction, particularly for NATO planning, are discussed in page 5.

CHESTER L. COOPER V
Special Assistant to the DDI

Attachment

DEPARTMENT OF STATE A/CDC/MR

REVIEWED BY

_ DATE NACIS

Excluded from autor downgracing am dactesolitection

RDS or XDC EXT DATE

CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

30 August 1963

O/NE MEMORANDUM

SUBJECT: Possibility of Soviet Ground Force Reductions*

SUMMARY

A number of factors of domestic and international policy suggest that the USSR intends some decision which will check the growth of Soviet military expenditures or perhaps even reduce them. We cannot tell which military forces might be affected, but one likely target is the ground forces, which might be reduced along the lines of the program launched in early 1960 and suspended in mid-1961. If so, Khrushchev is likely to put this move to political use with a major public announcement. This would confront NATO planning with a new complication.

* * * * * *

This memorandum has been coordinated with ORR and OCI.

TS AUTH.

REASON(S) & John with CA

ENDORSE EXISTING MARKINGS

DECLASSIFIED TELEBASABLE

RILEASE DERITINAL

PA OF FOI EXEMPTIONS (E1) (356 Act, 3/4) (5)

S-E-C-R F T

GROUP 1
Excluded from automatic
downgrading and
declassification

SECRET

- 1. In several recent conversations with Westerners,
 Khrushchev has spoken of halting the upward trend in Soviet military
 spending and perhaps even accomplishing reductions. The trend
 of internal Soviet politics, developments in economic policy, and
 the new phase of relaxed international tensions all suggest
 that some new move in this direction, perhaps involving a new
 round of force reductions, may be on the agenda.
- 2. We have pointed out elsewhere* that last winter, in the wake of the Cuban crisis, Khrushchev's authority seemed diminished and his policy initiatives balked. At that time, he spoke defensively to consumers about the primacy of military needs and hinted strongly at increased military spending. The burden of his remarks was that his long-standing plans for a reallocation of resources away from defense to the civilian economy had to remain on the shelf.
- 3. In the intervening months, a number of political indicators suggest that Khrushchev has regained strength and feels able once again to press his initiatives in the Presidium. He is again talking about the relationship between military spending and the requirements of the economy, but in quite a different fashion

^{*} CIA Memorandum, "The New Phase of Soviet Policy," 9 August 1963, SECRET.

S-E-C-R T T

than last February. Now he outlines to visitors large investment programs which he has prepared for the revised 1964-65 plan and the next Central Committee plenum, and relates these directly to the opportunities for holding down military spending.

has altered the international atmosphere in a way which will help him to justify at home a rearrangement of priorities at the expense of defense. If he puts through such a decision, it would be characteristic of Khrushchev to make a major propaganda occasion of the matter, intending to inspirit the Soviet population, fortify the image of his personal leadership, and encourage the West to make some reciprocal adjustment to NATO military programs or at least slacken projected buildups.

What Kind of Cutback?

5. We have no basis thus far for judging reliably what might be the nature of the change in Soviet military programming which Khrushchev might undertake. His views on military matters regularly reflect a concern for cost, and his repeated emphasis on the deterrent role of strategic forces suggests that he favors lower goals for long range striking forces than those proposed by his military advisors. His recent references to "overkill" and a sufficiency of "rockets" may, as a minimum

explanation, reflect merely the achievement of planned force goals in certain missile programs, such as the SA-Z or the MRBM/IRBM force. But they may have a larger import as reflections of decisions to fix at some moderate level force goals for other weapons, such as ICBMs, which previously had been left open-ended, or decisions actually reducing previously agreed goals.

6. With respect to ground forces, Khrushchev's concept of the short war characterized by a decisive nuclear exchange provides scant support for a massive standing army or an extensive mobilization base. Economy measures here would probably involve, not merely a scaling down of future plans, but also actual reductions in current strength. In fact, Khrushchev is on record as advocating a reduction in total military manpower to 2.4 million, whereas we estimate present manpower at about 3.25 million in the wake of the suspension, in mid-1961, of the force reduction program he launched in 1960. Should that program now be resumed, the ground forces would have to absorb the bulk of the reductions and would probably fall from the present estimate of 1.9 million to about 1-1.2 million.* Cuts on this scale might well be accompanied by

As an illustration, such a force could be consolidated into 40 or so fully modernized divisions (which are smaller than US divisions) in a combat ready status with adequate condivisional support, perhaps backed up by the territorial militia system once advocated by Khrushchev. Alternatively, if the Soviets continued to rely on skeletonized active units for mobilization, this manpower would be organized into more divisions which would be less combat ready and less well supported with regular cadres.

S-E-C-R-E-T

withdrawals of some Soviet ground forces from Eastern Europe, these currently number 26 divisions.

Although our recent analyses of defense spending have stressed the demands of stategic defense and offense for scarce, high quality resources, the substantial expenditures still devoted to ground forces should not be overlooked. After many years of increasing stress upon long range attack and air defense, the ground mission still remains, according to our estimates, the most expensive mission in the Soviet forces; it accounts for about 40 percent of the personnel expenditures for active military forces and about one quarter of the toal procurement bill. Thus, the cost of maintaining, and continuing to modernize, a total of 200odd Soviet and East European line divisions is far from insignificant. For example, after about a decade of production of the current armored personnel carrier a large portion of Soviet and East European divisions are not yet fully equipped with this item, and a cessation of this program would permit a significant increase in, say, truck allocations to agriculture.

Foreign Policy Considerations

8. The Soviet Army is an important factor in European politics, and a project to reduce ground forces involves questions

of international policy. There would almost certainly be internal disagreements over the relative weight of political and military factors. The US, for example, has been urging NATO to look upon the Soviet ground forces as less than omnipotent and to make extra efforts to increase NATO conventional strength to a level which could match Soviet conventional capability in Central Europe. This might be taken in the USSR as an argument against any Soviet reductions at this time; certainly most of the marshals can be relied upon to stress this point. Alternatively, the Soviets might see an opportunity to undermine the US case by an announced reduction, particularly one which cut Soviet forces in East Germany and would be taken as diminishing the threat facing NATO.

9. In foreign policy, the Soviets currently are seeking to sustain an atmosphere of relaxed tensions while working toward European agreements on terms useful to themselves. If they are considering force reductions for reasons of economic requirements and military doctrine, they will also wish to put them in the service of their European objectives. They have already proposed reciprocal reductions of troops stationed in the two Germanies, but they probably have little hope of achieving an agreement on this. Khrushchev, however, appears to be ready to consider

S-E-C-R-E-T

unilateral Soviet cuts. He recently told a visitor about a previous Moscow debate on this point of unilateral versus negotiated force reductions, in which he argued successfully that the West not be allowed to control the Soviet decision.

10. The Soviets might believe that unilateral reductions, if they involved Soviet forces in East Germany, would provide some new incentive for NATO members to consider agreed military arrangements in Germany. The USSR's present proposal, in which static control posts remain linked to a denuclearization scheme and a one-third reduction in foreign troops in Germany, is generally regarded as an unacceptable package. A unilateral Soviet reduction, followed by some modification of this package (say, static control posts and a freeze on troop levels in both Germanies) might have appeal for some NATO members, since the combination of agreed limitations and control posts would offer, without a further Western buildup, a rough parity of M-day forces in Central Europe.